

TO: State Directors
Rural Development

ATTN: Program Managers
Community Programs

FROM: James C. Alsop *(Signed by James C. Alsop)*
Acting Administrator
Rural Housing Service

SUBJECT: Eligibility of Private Nonprofit Organizations

PURPOSE/INTENDED OUTCOME:

We are issuing this Administrative Notice (AN) to notify Rural Development personnel of clarification of RD Instruction 1942-A; RD Instruction 3575-A; and RD Instruction 3570-B.

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 3545 (1942-A) dated May 5, 2000.

IMPLEMENTATION:

All private nonprofit organizations must meet the “public use” requirements of the regulations governing the Community Facilities direct loan, loan guarantee, and grant programs as contained in RD Instruction 1942-A, section 1942.17(e); RD Instruction 3570-B, section 3570.61(f); and RD Instruction 3575-A, section 3575.20(e)(2). To demonstrate availability for public use, the organization should allow open membership from the community. The organization cannot restrict membership based on race, color, religion, national origin, sex, age, disability, and marital or familial status.

EXPIRATION DATE:
July 31, 2002

FILING INSTRUCTIONS:
Preceding RD Instruction 1942-A

If membership is customarily required to access and use the facility, then any individual from the community who applies for membership should be given membership or be placed on a waiting list to join the organization as space becomes available on a first come, first served basis.

These projects must also meet all other requirements of the regulations governing the Community Facilities direct loan, loan guarantee, and grant programs. Please contact C. Barth Miller, (202) 720-1505; or Chad Parker, (202) 720-1502, for any further clarification.